

## APPENDIX B

### Section 5311: Small Urban/Rural Public Transportation Program

#### **OVERVIEW**

This program (49 U.S.C. 5311) provides formula funding to states for the purpose of supporting public transportation in areas of less than 50,000 populations.

#### **PROGRAM GOALS**

The goals of the nonurbanized formula program are: 1) to enhance the access of people in nonurbanized areas to health care, shopping, education, employment, public services, and recreation; 2) to assist in the maintenance, development, improvement, and use of public transportation systems in rural and small urban areas; 3) to encourage and facilitate the most efficient use of all Federal funds used to provide passenger transportation in nonurbanized areas through the coordination of programs and services; 4) to assist in the development and support of intercity bus transportation; and 5) to provide for the participation of private transportation providers in nonurbanized transportation to the maximum extent feasible.

#### **ELIGIBLE PROJECTS**

FTA defines eligible service areas for the nonurbanized (rural) program as those areas outside urbanized areas. Public transportation is defined as transportation by a conveyance that provides regular and continuing, general or special transportation to the public, but does not include school bus, charter, sightseeing transportation or intercity. Incidental use of a Section 5311 vehicle for non-passenger transportation on a regular basis for (i.e., package delivery or meal delivery services) must not result in a reduction of service quality or availability of public transportation service. Operating costs attributable to these services should be borne by non-FTA program funds.

Section 5311 funded services may be designed to maximize use by members of the general public who are transportation disadvantaged including elderly persons and persons with disabilities. The Federal Transit Administration provides Section 5311 Program funds to help make transit services available to the general public, not to substitute funding for clients to access human services under programs of the Department of Health and Human Services and other Federal Agencies. When a transit provider contracts to provide trips for other programs, it should recover at least the incremental costs, if not the fully allocated costs of providing the trip. Coordinated human service transportation which primarily serves elderly persons and persons with disabilities but which is not restricted from carrying other members of the public, is considered available to the general public if it is marketed as public transit service and the general public is provided equivalent access. Section 5311 projects may include transportation to and from urbanized areas including destinations across a state line.

If your project is new and serves the disabled population in a manner that goes beyond the minimum ADA requirements under federal regulations, applicants should consider also applying for the New

Freedom grant under Section 5317. Also consider requesting funding if the contracts and services you provide qualify as a Job Access Reverse Commute (JARC) grant under Section 5317. These programs also have provisions for funding operating expenses. Because grants funds are limited and applications compete against each other statewide, applicants should consider applying under both programs to improve their opportunities for an award when the request meets the criteria of either program. However, you must apply for a grant to be considered.

Funds for the Section 5311 Program are available for administration, operating, planning, marketing and capital expenses to support the provision of rural transportation services. Eligible categories include but are not limited to:

- Capital expenses:
  - Accessible buses or vans
  - Radios and communication equipment
  - Passenger shelters, bus stop signs, park and ride lots, and similar passenger amenities
  - Wheelchair lifts and restraint
  - Vehicle rehabilitation, remanufacture, or overhaul
  - Preventive maintenance, defined as all maintenance costs;
  - Extended warranties which do not exceed the industry standard
  - Operational support such as computer hardware or software; installation costs, vehicle procurement, testing, inspection and acceptance costs;
  - Construction or rehabilitation of transit facilities including design, engineering, and land acquisition;
  - Lease of equipment or facilities when a lease is more cost effective
  - The capital portion of costs for service provided under contract
  - The introduction of new technology, through innovative and improved products, into public transportation
  - Mobility management
  - Crime prevention and security; including projects to refine and develop security and emergency response plans
  - Transit related intelligent transportation systems
- Net Operating Expenses;
  - Fuel
  - Oil
  - Driver salaries and fringe benefits
  - Dispatcher salaries and fringe benefits
  - Licenses.
- Administrative expenses:
  - Salaries of project director, secretary, and bookkeeper
  - Marketing expenses
  - Insurance premium
  - Office supplies

- Facilities and equipment rental
- Standard overhead rates
- The costs of administering drug and alcohol testing.

**ELIGIBLE APPLICANTS**

Federal Transit Administration makes funds available to states and local public bodies, private nonprofit organizations, private for-profit operators, and Native American Nations to help them provide general public rural transportation services.

**MATCH REQUIREMENT**

Capital and Project Administration. The Federal share of eligible capital and project administrative expenses may not exceed 80 percent of the net cost of the project.

Operating Expenses. With respect to operating expenses, the Federal share shall not exceed 50 percent of the net operating cost of the project.